

DEPARTMENT OF THE AIR FORCE  
HEADQUARTERS UNITED STATES AIR FORCE  
WASHINGTON, D.C.

Executive Registry

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28 NOV 1974

REPLY TO  
ATTN OF:

IN

SUBJECT:

Contracting for Intelligence Support

TO: Chairman, United States Intelligence Board (Mr. Colby)

1. The area of contracting for intelligence support is beset with management problems. Many of them could be alleviated by a mechanism to identify unnecessary duplications and expenditures. Savings in money and manpower should be substantial.
2. Under the present system of contracting for intelligence support, there is no complete listing of what analyses contractors external to the government are doing and for whom. This has resulted in duplication, unnecessary expenditures, and decreasing cooperation between intelligence agencies. Studies have been developed in isolation using selective data bases that have proven to be inadequate, and products have not always been widely distributed. All of this has led to criticism directed against our management of resources.
3. The number of duplicatory contractor studies appears to be growing substantially as budgets are cut and requirements expand. This has already manifested itself in many contract studies exhibiting those negative qualities mentioned above (e.g., BACKFIRE role, ICBM/SLBM performance, laser beam weapons, PNUITS, CW/BW, ASW and ABM R&D).
4. DIA is attacking this problem through the automated S&T contract file which identifies contract subject and sponsor. Though this file has potential to serve the community as an "open book" on contract assistance, it is but a modest beginning.
5. Many intelligence-related contract studies are generated by nonintelligence elements of the Government, i.e., OSD, departmental analytical and R&D staffs, NSC, ACDA, etc. Recognizing this fact, I believe we should first address the

USAF review(s) completed.

problem of monitoring those studies initiated by the intelligence community. After that, a further look could be given to nonintelligence elements.

6. I suggest that the problem of external contractor assistance to the intelligence community be addressed in the USIB arena, either through an ad hoc committee or the existing committee structure. Thorough examination of the problem could be accomplished relying on inputs from all agencies involved.

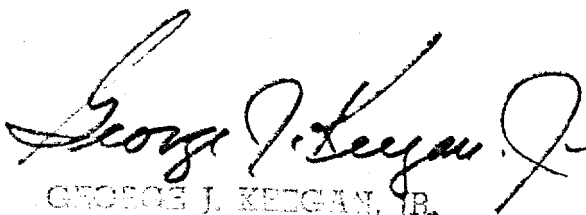
7. Specifically, I urge that a mechanism be established requiring:

- a. that all intelligence agencies contracting externally for studies containing a threat implication so report;
- b. that details concerning contract objectives, assumptions, timing, etc., be made known to the intelligence community; and
- c. maintenance of a master listing or registry of all such contracts -- appropriately classified -- with distribution to USIB members.

8. An access file structured as above would help avoid excessive duplication of effort. We need better management of a process that is not now being monitored and that is imposing a crushing unprogrammed burden on those of us who generate data bases.

9. Unless the community takes an initiative soon, I expect that one will be imposed, possibly in the form of a directed post-audit of all intelligence research contracts accomplished in recent years. Now is the time to police our own house and set it in order.

10. The "open door/open book" policy is essential if we are to improve the integrity of contractor analyses in the substantive intelligence area. Request this matter be submitted to the United States Intelligence Board for consideration.



GEORGE J. KEEGAN, JR.  
Major General, USMC  
Chief of Staff, Intelligence

*File: DOD*

MEMORANDUM FOR: *EMP* (info *PNW/11/11*)

General Keegan wants USIB to consider the problem of duplication in the present system of letting outside contracts for intelligence support.

I will send a copy to *BSR*.

Anybody else? *DER, OPR, OCI, SBFI.*

*Please send*

*Close by*

*[Signature]*

*3 December 1974*  
(DATE)

FORM NO. 101 REPLACES FORM 10-101  
1 AUG 54 WHICH MAY BE USED.

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